

## ECONOMIC DEVELOPMENT AUTHORITY[261]

### Notice of Intended Action

#### **Proposing rule making related to brownfield and grayfield redevelopment and providing an opportunity for public comment**

The Economic Development Authority (IEDA) hereby proposes to amend Chapter 65, “Brownfield and Grayfield Redevelopment,” Iowa Administrative Code.

#### *Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code section 15.106A and section 15.293B as amended by 2021 Iowa Acts, Senate File 619.

#### *State or Federal Law Implemented*

This rule making implements, in whole or in part, 2021 Iowa Acts, Senate File 619.

#### *Purpose and Summary*

2021 Iowa Acts, Senate File 619, amends Iowa Code section 15.293B relating to the Redevelopment Tax Credit Program for Brownfields and Grayfields. The amended statute increases the maximum program allocation to \$15 million. 2021 Iowa Acts, Senate File 619, also authorizes the IEDA to award any tax credits in the next annual application period if the tax credits (1) have been revoked, including any credits revoked in the five years prior to enactment of the legislation, (2) were not awarded because the registered projects were not timely completed, or (3) were not awarded because the registered projects did not meet the requirements of the program or the agreement (Iowa Code section 15.293B(5A)“a” as enacted by 2021 Iowa Acts, Senate File 619). Senate File 619 states that tax credits awarded pursuant to Iowa Code section 15.293B(5A)“a” shall not be counted against the maximum allocation under Iowa Code section 15.119.

This proposed rule making amends Chapter 65 to reflect the changes made to the statute by 2021 Iowa Acts, Senate File 619. In addition, subrule 65.8(5) is amended to conform to a statutory amendment made in 2019.

#### *Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa beyond that of the legislation implemented.

#### *Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

#### *Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the IEDA for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

#### *Public Comment*

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the IEDA no later than 4:30 p.m. on August 31, 2021. Comments should be directed to:

Lisa Connell  
Iowa Economic Development Authority  
1963 Bell Avenue, Suite 200  
Des Moines, Iowa 50315  
Phone: 515.348.6163  
Email: [lisa.connell@iowaeda.com](mailto:lisa.connell@iowaeda.com)

### *Public Hearing*

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

### *Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend rule **261—65.2(15)**, definition of “Board,” as follows:

*“Board” means the members of the economic development authority board appointed by the governor and in whom the powers of the authority are vested pursuant to 2011 Iowa Code Supplement section ~~45.102~~ 15.105.*

ITEM 2. Amend subrule 65.8(5) as follows:

**65.8(5) Project completion.** A registered project shall be completed within 30 months of the date the project was registered unless the authority provides additional time to complete the project. ~~A project will not be provided more than 12 months of additional time.~~ If the registered project is not completed within the time required, the project is not eligible to claim a tax credit pursuant to this chapter.

ITEM 3. Amend paragraph **65.11(4)“e”** as follows:

*e. Maximum credit total. ~~For the fiscal year beginning July 1, 2009, the maximum amount of tax credits issued by the authority shall not exceed \$1 million. For the fiscal year beginning July 1, 2011, the maximum amount of tax credits issued by the authority shall be an amount determined by the board but not in excess of \$5 million.~~ For the fiscal year beginning July 1, 2013 2021, and for each subsequent fiscal year, the maximum amount of tax credits issued allocated to the program by the authority shall be an amount determined by the board but not in excess of the amount established pursuant to Iowa Code section 15.119 as amended by 2021 Iowa Acts, Senate File 619. Tax credits awarded pursuant to paragraph 65.11(8) “b” shall not be counted against the allocation determined by the board pursuant to this paragraph.*

ITEM 4. Amend subrule 65.11(8) as follows:

**65.11(8) Tax credit carryover.**

*a. If the maximum amount of tax credits available has not been issued at the end of the fiscal year, the remaining tax credit amount may be carried over to a subsequent fiscal year or the authority may prorate the remaining credit amount among other eligible applicants.*

*b. Tax credits revoked under subrule 65.8(4) including tax credits revoked up to five years prior to the effective date of division XIV of 2021 Iowa Acts, Senate File 619, and tax credits not awarded*

under subrules 65.8(5) and 65.8(6), may be awarded in the next annual application period established in Iowa Code section 15.293B(1)“c.”

ITEM 5. Amend **261—Chapter 65**, implementation sentence, as follows:

These rules are intended to implement ~~2014~~ Iowa Code Supplement sections 15.291 to 15.295 and 2021 Iowa Acts, Senate File 619.